

## Message Text

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44

ACTION EUR-12

INFO OCT-01 IO-10 ISO-00 AGR-05 CEA-01 CIAE-00 COME-00

DODE-00 EB-07 FRB-03 H-02 INR-07 INT-05 L-02 LAB-04

NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15 STR-01

TAR-01 TRSE-00 USIA-06 PRS-01 SP-02 FEAE-00 OMB-01

/098 W

----- 105950

R 100913Z MAR 75

FM AMEMBASSY BUCHAREST

TO SECSTATE WASHDC 1922

INFO AMEMBASSY BELGRADE

AMEMBASSY BERLIN

A/USMISSION BERLIN

AMEMBASSY BUDAPEST

USMISSION GENEVA

AMEMBASSY MOSCOW

AMCONSUL MUNICH

USMISSION NATO

AMEMBASSY PRAGUE

AMEMBASSY SOFIA

AMEMBASSY VIENNA

AMEMBASSY WARSAW

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E.O. 11652: N/A

TAGS: ETRD, COMECON, RO

SUBJ: CEMA PRICE INCREASES

REF: A) BUDAPEST 0528 B) WARSAW 0879

1. COMMENTS OF A SOVIET COMMERCIAL OFFICER IN BUCHAREST SHED  
SOME FURTHER LIGHT ON RECENT CHANGES IN THE CEMA PRICING MECHANISM.

THE SOURCE, WHO WAS IN MOSCOW DURING SIGNING OF THE SOVIET-

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ROMANIAN TRADE PROTOCOL FOR 1975, CONFIRMED THAT INTRA-CEMA

PRICES ARE NOW TO BE RECALCULATED ANNUALLY AND WILL CONSEQUENTLY TEND TO FOLLOW WORLD MARKET PRICES, WHILE ELIMINATING THE SHARP RISES AND FALLS THAT RESULT FROM "SPECULATION" AND "MONOPOLIES". IN THE CASE OF CRUDE OIL, THE SOURCE SAID, THE PRICE CHARGED A GIVEN COUNTRY EACH YEAR BY THE USSR WILL BE RELATED TO WORLD PRICES DURING THE PRECEDING FIVE-YEAR PERIOD THROUGH A WEIGHTED AVERAGE REFLECTING THE PRICES PAID BY THAT COUNTRY FOR BOTH CEMA AND NON-CEMA OIL. THIS WEIGHTED AVERAGE WILL THEN BE MULTIPLIED BY A "COEFFICIENT" TO YIELD THE NEW PRICE. THE COEFFICIENT IS TO BE ARRIVEDSRT THROUGH BILATERAL NEGOTIATIONS. THAT IS, THE COEFFICIENT, AND THEREFORE THE FINAL PRICE, MAY VARY FROM COUNTRY TO COUNTRY.

2. THE SOURCE POINTED OUT THE USSR DOES NOT EXPORT OIL TO ROMANIA (IN RESPONSE TO QUESTIONS, HE SAID THERE WERE NO PLANS TO DO SO), THEREFORE ROMANIA IS NOT AFFECTED BY THE OIL PRICE RISE. PRICES OF OTHER GOODS, INCLUDING THOSE WHICH ROMANIA EXPORTS TO THE USSR, HAVE ALSO BEEN ADJUSTED, HOWEVER, AND THESE CHANGES HAVE TAKEN AFFECT IN 1975.

3. THE SOURCE WOULD NOT QUOTE PRICES, BUT ROMANIAN DEPUTY FOREIGN TRADE MINISTER ION STOIAN RECENTLY TOLD US HUNGARY NOW MUST PAY  
3

RUBLES PER TON FOR SOVIET CRUDEN TWO AND A HALF TIMES AS MUCH AS BEFORE THE INCREASE.

BARNES

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** COMMODITIES, TRADE, PRICE TRENDS  
**Control Number:** n/a  
**Copy:** SINGLE  
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**Disposition Approved on Date:**  
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**Disposition Date:** 28 MAY 2004  
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**Subject:** CEMA PRICE INCREASES  
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